building services portion of the contract, and only to those public buildings for which services were provided under a predecessor contract.

(2) This subpart does not apply to building services that are only incidental to a contract for another purpose, such as incidental maintenance under a contract to operate a day-care center. Building service requirements will not be considered incidental, and, therefore, will be subject to this subpart where (i) the contract contains specific requirements for a substantial amount of building services or it is ascertainable that a substantial amount of building services will be necessary to the performance of the contract (the word "substantial" relates to the type and quantity of building services to be performed and not merely to the total value of such work, whether in absolute dollars or cost percentages as compared to the total value of the contract); and (ii) the building services work is physically or functionally separate, and as a practical matter is capable of being performed on a segregated basis, from the other work called for by the contract. Building services performed on a building being leased to the Government pursuant to a lease-purchase contract are not covered unless the services are being performed under a contract directly with the Government.

## 22.1203-2 Exclusions.

- (a) This subpart does not apply to—
- (1) Contracts under the simplified acquisition threshold;
- (2) Contracts for commodities or services produced or provided by the blind or severely handicapped, awarded pursuant to the Javits-Wagner-O'Day Act, 41 U.S.C. 46–48a, and any future enacted law creating an employment preference for some group of workers under building service contracts;
- (3) Guard, elevator operator, messenger, or custodial services provided to the Government under contracts with sheltered workshops employing the severely handicapped as outlined in the Edgar Amendment, section 505 of the Treasury, Postal Services and General Government Appropriations Act, 1995, Public Law 103–329; or

- (4) Agreements for vending facilities operated by the blind, entered into under the preference provisions of the Randolph-Sheppard Act, 20 U.S.C. 107.
- (b) A successor contractor is not required to offer a right of first refusal for employment when a majority of its employees, who will perform the particular service under the contract, will work both at the public building and at other locations under contracts not subject to Executive Order 12933. Examples include, but are not limited to, pest control or trash removal services where the employees periodically visit various Government and non-Government sites, and make service calls to repair equipment at various Government and non-Government buildings. This exclusion does not apply (i) where the service employees' work on noncovered contracts is not performed as a part of the same job as their work on the Federal contract in question, or where they separately apply for work on the non-Federal contracts; or (ii) where the employees are deployed in a manner that is designed to avoid the purposes of Executive Order 12933. In making this determination, all the facts and circumstances are examined, including particularly the manner in which the predecessor contractor deployed its work force to perform the services, the manner in which the work force is typically deployed to perform such services, and the manner in which the contract is structured.

## 22.1204 Seniority lists.

- (a) Not less than 60 days before completion of its contract, the predecessor contractor must furnish the contracting officer with a certified list of the names of all service employees engaged in the performance of building services, working for the contractor at the Federal facility at the time the list is submitted, together with their anniversary dates of employment. The contracting officer in turn shall provide the list to the successor contractor and, if requested, to employees of the predecessor contractor or their representatives.
- (b) The list provided pursuant to paragraph (a) of this section satisfies the requirements of paragraph (n) of

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the clause at 52.222-41, Service Contract Act of 1965, as Amended.

#### 22.1205 Notice to employees.

(a) Where the successor contract is a contract subject to this subpart, the contracting officer will provide written notice to service employees of the predecessor contractor, who are engaged in building services, of their possible right to an offer of employment. Such notice either may be posted in a conspicuous place at the work site or may be delivered to the employees individually.

(b) Contracting officers may use either the following suggested notice format or another format with the same information.

#### Notice to Building Service Contract Employees

The contract for [type of service] services currently performed by [predecessor contractor] has been awarded to a new contractor. [Successor contractor] will begin performance on [date successor contract begins].

As a condition of the new contract [successor contractor] is required to offer employment to the employees of [predecessor contractor] working at [the contract work site or work sites] except in the following situations:

- Managerial or supervisory employees on the current contract are not entitled to an offer of employment.
- [Successor contractor] may reduce the size of the current work force. Therefore, only a portion of the existing work force may receive employment offers. However, [successor contractor] must offer employment to the employees of [predecessor contractor] if any vacancies occur in the first 3 months of the new contract.
- [Successor contractor] may employ a current employee on the new contract before offering employment to [predecessor contractor's] employees only if the current employee has worked for [successor contractor] for at least 3 months immediately preceding the commencement of the new contract and would face layoff or discharge if not employed under the new contract.
- Where [successor contractor] has reason to believe, based on credible information from a knowledgeable source, that an employee's performance has been unsuitable on the current contract, the employee is not entitled to employment with the new contractor.
- If you are offered employment on the new contract, you will have at least 10 days to accept the offer.
- If you are an employee of [predecessor contractor] and believe that you are entitled to

an offer of employment with [successor contractor], but have not received an offer, you may file a complaint with [contracting officer or representative], the contracting officer handling this contract at: [address and telephone number of contracting officer]. If the contracting officer is unable to resolve your complaint, the contracting officer will forward a report to the U.S. Department of Labor, Wage and Hour Division. You also may file your complaint directly with [address of the nearest District Office of the Wage and Hour Division].

If you have any questions about your right to employment on the new contract, contact: [Name, address, and telephone number of the contracting officer.]

## 22.1206 Complaint procedures.

(a) Any employee of the predecessor contractor, who believes that he or she was not offered employment by the successor contractor as required by this subpart, may file a complaint with the contracting officer.

(b) Upon receipt of the complaint, the contracting officer shall provide information to the employee(s) and the successor contractor about their rights and responsibilities under this subpart. If the matter is not resolved through such actions, the contracting officer shall, within 30 days from receipt of the complaint, obtain statements of the positions of the parties and forward the complaint and statements, together with a summary of the issues and any relevant facts known to the contracting officer, to the nearest District Office of the Wage and Hour Division, Employment Standards Administration, U.S. Department of Labor, with copies to the contractor and the complaining employee.

(c) If the contracting officer has not forwarded the complaint to the Wage and Hour Division within 30 days of receipt of the complaint, as required by paragraph (b) of this section, the complainant may refile the complaint directly with the nearest District Office of the Wage and Hour Division.

# 22.1207 Withholding of contract payments.

(a) The Secretary of Labor has the authority to issue orders prescribing appropriate remedies, including, but not limited to, requiring employment of the predecessor contractor's employees and payment of wages lost.